

CORRECTED FISCAL NOTE

SB 2796 - HB 3016

March 18, 1998

SUMMARY OF BILL: Permits use of the Tennessee Housing Development Authority (THDA) Assets Fund to support bond and loan programs of the Tennessee Industrial Finance Corporation (TIFC). The bill also allows the THDA to provide administrative and operational support for the TIFC, to be repaid on terms mutually agreeable to both parties.

ESTIMATED FISCAL IMPACT:

On February 26, 1998, we issued a fiscal note on this bill indicating a fiscal impact of *a not significant increase in state expenditures and a corresponding increase in state revenues for administrative support provided by THDA and reimbursed by TIFC. In addition, the fiscal impact would be that \$2,000,000 of THDA's assets fund would be held in a bond reserve to support the TIFC bond program.*

The estimated fiscal impact of this bill, based on revised information provided to us by THDA, is:

Other Fiscal Impact – 1) Approximately \$2,000,000 of the Assets Fund would be held in a bond reserve to support the TIFC bond program.

2) Approximately \$250,000 would be expended from THDA funds to provide three staff positions with related expenses to support the operations of the TIFC; such expenditures would be reimbursed by the TIFC.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director